

Section III:
AMENDMENT UNDER 37 CFR §1.121 to the
DRAWINGS

No amendments or changes to the Drawings are proposed.

Section IV:
AMENDMENT UNDER 37 CFR §1.121
REMARKS

Rejections under 35 USC §101

In the Office Action, new rejections of Claims 1, 1 and 13 were made for being directed to non-statutory matter. Since claim 1 was mentioned twice, we believe this is a typographical error, and that the Examiner intended to reject independent claims 1, 7, and 13.

With respect to the holding that the step of "providing" in Claim 1 is a mere idea in the abstract without a practical application and without producing a useful, concrete and tangible result, we respectfully disagree. We believe that the phrase considered in its entirety

"providing a computer-readable bid repository of collected bids communicative to an online offering and bidding system, said collected bids each having an associated seal status indication field for indicating whether is bid is a sealed bid or an unsealed bid; . . . "

would convey to computer scientists, programmers, and computer system administrators a range of actions of installing, configuring, provisioning and operating a database management system (including necessary computer hardware), one or more communications products, and one or more application programs. All of these things are well known to be tangible, concrete and useful. In particular, we have disclosed "providing a network computer arrangement" (see paragraph 0035, for example). The generic definition of the term "providing" supports our position (our emphasis added):

provide *verb*

1. **give something useful or necessary to**; "We provided the room with an electrical heater" [syn: supply]

...

(Source: WordNet® 3.0. Retrieved April 21, 2008, from Dictionary.com website:
<http://dictionary.reference.com/browse/provide>)

provide *verb*

...

2. **to supply or equip**: to provide the army with new fighter planes.

...

(Source: Dictionary.com Unabridged (v 1.1). Random House, Inc.
<http://dictionary.reference.com/browse/provide> (accessed: April 21, 2008))

In a definition more specific to the telecommunications and computing arts, the term "provisioning" is associated with "supplying" and "providing" sufficient quantities of equipment to meet requirements of a particular useful, tangible function, such as handling transactions or telephone calls (our emphasis added):

provisioning The act of supplying telecommunications service to a user, including all associated transmission, wiring, and equipment. The telephone industry defines provisioning as an engineering term referring to the act of providing sufficient quantities of switching equipment to meet established service standards. . . .

(Source: "Newton's Telecom Dictionary", 18th Edition, by Harry Newton, CMP Books, pg. 595)

Certainly, then we believe that "providing" in our manner of usage means "supplying or equipping" network computer equipment, which is tangible and useful, by extrinsic definitions and through reference to our specification.

With respect to the holding that the term "querying" represents a mere idea, we similarly disagree and point out that the claim element is not simply "querying" but "querying *said bid repository* for bids which match parameters . . . ". We believe that programmers, computer scientists, and computer administrators would clearly understand this as the database action of submitting a "query", not just a mental action of asking a question. We do not believe that one can mentally ask a question of a computer-readable bid repository such as a database. The term "query" is well known in the art of database and computer programming to mean submitting an request or command to retrieve certain information, such as information ". . . *which match[es] parameters . . .* ", as claimed and described. Our paragraphs 0045 and 0048 give an example of querying a database. Extrinsic definitions support our usage of the term in the claims, as well:

query

(n.) A request for information from a database. There are three general methods for posing queries:

- Choosing parameters from a menu: In this method, the database system presents a list of parameters from which you can choose. This is perhaps the easiest way to pose a query because the menus guide you, but it is also the least flexible.
- Query by example (QBE): In this method, the system presents a blank record and lets you specify the fields and values that define the query.
- Query language: Many database systems require you to make requests for information in the form of a stylized query that must be written in a special query language. This is the most complex method because it forces you to learn a specialized language, but it is also the most powerful.

(v.) To make a request for information from a database.

(Source: Webopedia, <http://www.webopedia.com/TERM/Q/query.html>, accessed 4/21/2008)

Similarly, we respectfully disagree that the term "preventing" is a mere idea because the claim phrase consists of more than just "preventing", but instead "*preventing transfer of sealed bids from said bid repository to a trader responsive to said query*". There is no evidence provided in the rationale for these rejections how a person could mentally use an idea to prevent the transfer of information from a database to a user in response to a database query.

Likewise, we also respectfully disagree that the term "presenting" is a mere idea because the complete claim phrase consists of "*presenting via a computer user interface . . .*" certain information. There is no evidence provided in the rationale for these rejections how a person could use an idea to present information on a computer user interface, such as on a computer screen or computer display.

We respectfully request reconsideration of these rejections. We also respectfully request that ordinary meanings of these terms be afforded to the interpretation of the claims.

We also respectfully request that the claims be considered as a whole, not as individual words out of the context of the phrases from which they are taken ("*. . . the issue requires an evaluation in the light of the findings in those inquiries of the obviousness of the claimed invention as a whole . . .*" *Lear Siegler, Inc. v. Aeroquip Corp.*, 733 F.2d 881,221 USPQ 1025,1033 (Fed. Cir. 1984)).

And, we respectfully request that the claims be considered within the context of the pertinent art and our disclosure, because the claims are part of the disclosure ("*The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.*" (35 U.S.C. 112); "*. . . claims must be read in view of the specification, of which they are part . . . Phillips v. AWH Corp.*, 415 F.3d 1303, 75 USPQ2d 1321 (Fed. Cir. 2005) (en banc)).

Rejections Under 35 U.S.C. §103(a)

In the Office Action, it appears that the previous rationale for rejections of all claims over Herman in view of Goldberg were repeated *verbatim*, without further elaboration and without response to our arguments.

In particular, we respectfully request the Examiner to respond to our arguments and comments of our previous reply (*"Where the applicant traverses any rejection, the examiner should, if he or she repeats the rejection, take note of the applicant's argument and answer the substance of it."* MPEP 707.07(f); 37 CFR §1.104). In particular, please explain the repetition of a rejection based in part on a portion of a reference which has been shown not to be prior art. We believe that it would be an error to finalize a rejection without responding to our previous arguments, and without supporting the prior art status of the relied upon portions of the cited art.

We also requested indication from the Examiner of the results of the third factual inquiry for establishing obviousness as set forth by the Court in *Graham v. Deere Co.*, namely "resolving the level of ordinary skill in the pertinent art". We note that the Examiner has quoted this requirement in the rationale for the Office Action, but the Examiner, acting as a fact finder, has not provided this information to us. ("Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.*," Fed. Reg., Vol. 72, No. 195, October 10, 2007). We believe it would be an error in examination to proceed to a final rejection without affording the Applicant the opportunity to know what level of skill in the art was deemed by the Examiner to be "ordinary", because all of the remaining analysis and rationale for "what would have been obvious" depends on this skill level.

With respect to technical differences and patentable distinctions of our claims, we repeat and maintain our arguments of our previous reply.

Claims 1 - 6. In making the rejection of Claims 1 - 6, the Examiner has cited Herman's Claim 22 and paragraphs 0178 and 0176.

Applicant respectfully points out that Herman's published patent application US 2005/234811 was filed nearly 5 years after the filing date of Applicant's patent application, and that in order for Herman's published patent application to serve as prior art, all relied upon

passages must find support in Herman's parent filing 09/649,400.

Herman's Claim 22 Not Supported by Parent Application. Applicant respectfully points out that Herman's Claim 22 does not appear in the parent filing 09/649,400, and thus this passage is not available as prior art against Applicant's claims.

Herman's Method I Not Preventing Intermediary Party from Accessing Sealed Bids.
Applicant has claimed:

". . . preventing transfer of sealed bids from said bid repository to
a trader . . .".

Applicant's "trader" is referring to an "intermediary third party between a bidder and an offeror", as claimed and disclosed.

Herman has not disclosed a third party who is intermediate between a bidder and an offeror. Instead, according to Herman's figure 1a, Herman's bidding is between two parties - a "vendor" (presumably corresponding to Applicant's "offeror"), and a "buyer" (presumably corresponding to Applicant's "bidder"). Herman's "service bureau" is not a trader is defined by the Applicant, but instead is a broadcaster of the event (para. 0183).

Please note that Herman's paragraph 0176 (Method I) states explicitly that the "buyer is denied access" to the sealed bids, which presumably would correspond to Applicant's "bidder", not to Applicant's "trader". Herman's paragraph 0176 is silent regarding denying access to the "vendor" or to the "service bureau. Applicant respectfully submits this is not the same as the claimed denial of access to sealed bids by a trader who functions intermediate between the offeror and the bidder.

Please also note that Herman's paragraph 0178 (Method III) does not disclose denial of access to sealed bids, as in their Method I, but instead *allows* the buyer (not the vendor) to have access to sealed bids *before a deadline*, but such early access is recorded so that other parties to the auction may know that the sealed bid approach was not followed. Applicant respectfully submits this is not the same as the claimed denial of access to sealed bids by a trader who functions intermediate between the offeror and the bidder.

For these reasons, Applicants submit that Herman fails to disclose or suggest the claimed steps, elements, and limitations as proposed in the Office Action. Allowance of Claims 1 - 6 is

respectfully requested.

Goldberg's Encrypted Containers is not the same as Preventing Transfer of Sealed Bids.

With respect to Goldberg's disclosure, Applicant's previous Appeal Brief contains argument regarding the difference that Goldberg uses an encrypted container to protect sealed bids, not an active process to prevent transfer of sealed bids to a trader's console as claimed. Applicant maintains all previous arguments regarding Goldberg. In particular, Goldberg's embodiment uses a secure container (col. 7 lines 23 - 44), not a sealed bid indicator to prevent transfer of a bid. Instead, Goldberg's system *always transfers* the sealed bid to the auctioneer, but only an auctioneer who has the key to decrypt the encrypted container can open or view the bid details.

Encryption of bids is not the same as controlling the transfer of bids as Applicant has claimed, however. In Goldberg's arrangement, the bids are always transferred (not prevented from transfer if the bid is sealed, as claimed), and Goldberg's bids are transferred to an auctioneer (e.g. the "offeror") (not a trader as claimed). In order for Goldberg's method to be at least similar to unsealing, there would have to be some sort of disclosure about the encryption preventing opening of the bid, even with a valid password, until a certain time in the auction process, whereas the term "sealed" in auction parlance implies prevention of opening or reviewing the bid details until a certain condition (such as the auction bid close time) have occurred. Applicant's system achieves this functionality not by encrypting the bids and always transferring them, but by preventing the transfer of the bids in the first place.

Unreasonable Step in Logic Required. We believe the proposed combination of Herman with Goldberg would require an unreasonable step in logic and reasoning for one of ordinary skill in the art to somehow replace Goldberg's always-transferred encrypted bids with Herman's prevented-transfer bids, and to modify Herman's prevention of transfer to an intermediary trader rather than to the bidder or buyer.

Herman in view of Goldberg is Not Enabling. Applicant respectfully submits that there is insufficient disclosure between Goldberg and Herman to provide enabling information to one of ordinary skill in the art to somehow replace Goldberg's always-transferred encrypted bids with Herman's prevented-transfer bids, and to modify Herman's prevention of transfer to an intermediary trader rather than to the bidder or buyer.

Claims 7 - 12 and 13 - 21. Claims 7 - 12 set forth computer readable medium claims corresponding to claims 1 - 6, and claims 13 - 21 set forth system claims corresponding to claims 1 - 6. In the Office Action, the rationale for the rejections of claims 1 - 6 was applied to claims 7 - 21.

We respectfully disagree for the same reasons as set forth in the foregoing paragraphs, including that Herman fails to teach or suggest preventing an trader party intermediate between an offeror and a bidder from accessing sealed bids, and that the rejections under 35 U.S.C. §103(a) are improper for failure to notify the Applicant of what level of skill was determined to have been "ordinary" at the time of Applicant's filing per the third *Graham* inquiry.

Request for Indication of Allowable Subject Matter

We believe we have responded to all grounds of rejection and objection, but if the Examiner disagrees, we would appreciate the opportunity to supplement our reply.

We believe the present amendment places the claims in condition for allowance. If, for any reason, it is believed that the claims are not in a condition for allowance, we respectfully request constructive recommendations per MPEP 707.07(j) II which would place the claims in condition for allowance without need for further proceedings. We will respond promptly to any Examiner-initiated interviews or to consider any proposed examiner amendments.

Respectfully,

/ Robert Frantz /

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